## P. O. Box 2 Chamberlain, SD 57325-0002 August 15, 2020

Mr. Jerry Cope, Chairman South Dakota State Railroad Board 5208 Ridgeview Road Rapid City, SD 57701

## Dear Jerry:

At last month's Rail Board meeting one of the agenda items involved information about Dakota Southern's June derailment west of Kimball. The way that information was presented created an impression that needs to be corrected.

Dakota Southern's lease requires that it maintain the track from Mitchell to Presho to Class 2 (25 mph) standards. After the derailment the FRA inspected the track, and at the Board meeting various glowing comments were made about the results of that inspection. That and another conversation indicate that the Board was not informed of the true nature of the inspection.

The FRA inspected the track only for Class 1 (10 mph) standards, which of course are lower than Class 2 standards. It is not the FRA's job to enforce Dakota Southern's contract; that is the responsibility of the Board. The reason the inspection was limited to Class 1 is because Dakota Southern alleges it restricts trains to a maximum of 10 mph.

In a response of July 23, 2020, which I will have available at the next meeting, FRA Supervisory Railroad Safety Specialist Michael Pirato stated:

"Therefore, in accordance with DSRC's Timetable Special Instructions: The maximum speed permitted on main track for freight is 10 mph making this track FRA Class 1, and as such, was inspected to Class 1 standards."

Also, if you will look at the Inspection Reports you will see a value of 10 entered in the boxes titled "Speed."

Dakota Southern has never passed an inspection at Class 2 standards, and realistically never will. If anyone connected with the State has in any way suggested that the MRC line is Class 2, such statement should be corrected immediately. This is especially important with the decision to sell the MRC line to Watco. If the track has been misrepresented as being a Class 2 property, Watco will be in a position to, and by rights should, file a claim against the Administration.

Sincerely,

Dick Huff

cc: Rail Board Members
Jack Dokken
Rep John Mills
Rep David Anderson

Kara Semmler Bob Mercer